(b) whether Government have taken decision to appoint Sixth Pay Commission and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Representations have been received from various quarters regarding setting up of Sixth Pay Commission. Government has not considered it appropriate to constitute a Pay Commission at this juncture.

Deduction of Service Tax

†2860. SHRI MOTILAL VORA: Will the Minister of FINANCE be pleased to state:

(a) What are the names of those big companies which took services from the foreign based companies but neither did they deduct Service Tax nor have they deposited it after deduction;

(b) what are the names of those big companies which took services from the Indian Companies and did not either deduct Service-Tax or deposited it after deduction;

(c) the details of the amount of Service Tax outstanding against each company; and

(d) what measures Government are taking to realise Service Tax amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) For taxable services provided by a person who is a non-resident or from outside India and who does not have any office in India, to a recipient in India, the service tax is liable to be paid by the recipient of such services in India. As per the available information, show cause notices (demanding service tax exceeding Rs. 5 crore on services received from foreign based companies) were issued to the following companies:

(i) Hyundai Motor India Ltd.

(ii) BASF India Ltd.

†Original notice of the question was received in Hindi

(iii) MC Kinsey & Company

(iv) Hindustan Lever Ltd.

(v) Johnson & Johnson Ltd.

(vi) Maruti Udyog Limited

(vii) Nestle India Limited

(viii) Honda Motors Co. Ltd.

(b) For taxable services provided by an Indian service provider, the liability for payment of service tax is, in general, on such service provider and not on the companies receiving such services.

(c) The details of amount of service tax outstanding against companies mentioned in (a) above are detailed in the Table below. Does not arise with respect to (b) above.

Name of the company	*Outstanding amount of service tax* (in Rs. Crore)
Hyundai Motor India Ltd.	10.44
MC Kinsey & Company	7.34
Johnson & Johnson Ltd.	2.43

(d) Action, as per law, is beign taken to realise the amount due to the Government.

Merger of Small Banks with Bigger Banks

†2861. SHRI JANARDAN DWIVEDI:
SHRI MOTILAL VORA:

Will the Minister of FINANCE be pleased to state:

(a) the date on which approval by Government was accorded to the proposal of merging of some of the smaller banks with the bigger ones alongwith the details thereof;

†Original notice of the question was received in Hindi